Lending to Agriculture Sector

3129. SHRI BHAKTA CHARAN DAS :
SHRI NITISH KUMAR :
SHRI NAWAL KISHORE RAI :

Will the Minister of FINANCE be pleased to state :

(a) whether the attention of the Government has been drawn to the news-items appearing in the 'Business Standard' dated November 14, 1996 under the caption 'Increase lending to Farm Sector, Banks Told';

(b) if so, the facts reported therein;

(c) whether the percentage of lending by the public sector banks to agriculture sector during the previous years was quite low in comparison to the target fixed for it;

(d) if so, the details of the target fixed and details of lending to agriculture sector during the last three years and in the current year so far; and

(e) the quantum of funds proposed to be made available to agriculture sector during 1996-97 and the estimated requirement assessed therefor?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) Yes, Sir.

(b) to (d). Public Sector Banks (PSBs) are required to lend 18 percent of their net bank credit to agriculture. However, as per information made available by Reserve Bank of India (RBI)/National Bank for Agriculture and Rural Development (NABARD), during previous three years, the achievements against the target were as follows:

Year	Percentage of Agricultural advances to net bank credit (Target 18 %)
1993-94	15.05
1994-95	13.91
1995-96	14.29

(e) As per the estimates made by the Working Group of the Planning Commission on VIII Five Year Plan, the estimated requirements of credit during 1996-97 is Rs.34,890 crores. The likely disbursals during the current year have been estimated by NABARD to be around Rs.28,800 crores.

Bee Keeping

3130. SHRI T. GOVINDAN : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Union Government are considering the proposal of the Khadi and Village Industry Board in Kerala to implement the scheme for Bee Keeping, Production of Bee colonies, Training, promotion and the related works; and

(b) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) Yes, Sir.

(b) The details of the funds sanctioned for Beekeeping industry under the purview of KVIC to Kerala State KVI Board for the year 1996-97 are as under:

(i)	Margin Money	Rs. 20.12 lakhs
(ii)	Capital Expenditure loan	Rs. 34.20 lakhs
(iii)	Working Capital loan	Rs. 27.08 lakhs
(iv)	Equity Amounts from promoters	Rs. 9.03 lakhs

Devaluation of Indian Currency

3131. SHRI VIJAY PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether investment in India is discouraged as a result of devaluation of Indian rupee; and

(b) if so, the steps taken by the Government to remedy the situation?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). In March 1993, India moved to a single, market determined exchange rate system. The day to day fluctuations in the exchange rate are now determined by market forces; such fluctuations reflect both economic fundamentals and short-term speculation.

In 1991-92, however, the rupee did undergo devaluation. After the devaluation in 1991-92, there has been a phenomenal increase in the flow of foreign investment into India. Furthermore, the Government to India has relaxed norms of equity participation, dividend repatriation, Euro equities and FII investment.

Net foreign Investment (NFI) has gone up from US $60 million during 1990-91 (P) to US $ 4077 million during 1995-96 (Q.E.). In the year of the devaluation, i.e. 1991-92, the NFI was of the order of US $ 154 million.

(P) = Preliminary actual

(Q.E.) = Quick Estimates

Bye laws of W&WEPC

3132. PROF. AJIT KUMAR MEHTA : Will the Minister of TEXTILES be pleased to state :

(a) whether the Bye-laws of the Wool and Woollen Export Promotion Council are at variance with those of similar Export Promotion Council under his Ministry;

(b) if so, the reasons therefor; and

(c) the action being taken to bring the Bye-Law of the W&WEPC in tune with those of other council under his Ministry?